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SIPDIS

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JERUSALEM ALSO ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

SIPDIS

E.O. 12958: N/A TAGS: <u>OPRC KMDR IS</u>

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

Major media reported that on Sunday, during a special meeting with cabinet ministers and security officials, Shin Bet head Yuval Diskin warned against relaxing criteria for releasing Palestinian

prisoners in return for kidnapped Israeli soldiers. Diskin lashed out against Ofer Dekel, Israel's chief negotiator for securing the release of abducted soldiers, claiming Dekel backed criteria that were too lenient. Ha'aretz and Maariv reported that IDF Chief of Staff Gabi Ashkenazi favors flexibility in the matter. Ha'aretz reported that the row erupted over a new proposal Israel had received from Hamas for a possible swap. The Jerusalem Post reported that PM Ehud Olmert told the cabinet that Israel will not make any changes on the ground that could endanger its security as long as the PA does not act against the terrorist organizations. On Sunday The Jerusalem Post quoted sources close to Hamas as saying that Hamas wants the release of Gilad Shalit to be part of a package that would include, among other things, a mutual cease-fire with Israel and guarantees that Israel will not target Hamas leaders.

The Jerusalem Post reported that, out of fear that Hamas forces in Gaza have obtained anti-aircraft missiles, the IAF now operates only helicopters equipped with antimissile defenses over the Strip.

On Sunday Ha'aretz quoted sources close to PM Olmert as saying that he intends to refrain from further construction projects in East Jerusalem, but that he will allow construction in the neighborhood of Har Homa. The sources added that Olmert is seeking to introduce stricter government supervision of construction plans in the region. On Sunday Maariv reported that Olmert has implied that new tenders for construction over the Green Line must have his approval. On Sunday Yediot reported that after 40 years of massive marketing of land with Israeli government sponsorship, the sale of land by the GOI in the West Bank has come to an almost complete halt in 2007.

Ha'aretz, The Jerusalem Post, and Israel Radio quoted the Israeli human rights organization B'Tselem as saying that the number of Palestinians killed by the IDF decreased by 43% percent since last year, to 373, but that the total number of Palestinians killed this year reached a record high because of the 344 Palestinians killed in the internecine conflict. B'Tselem's report also found a siQficant drop in the proportion of civilians killed. Israel Radio quoted Palestinian sources as saying that a Palestinian woman was killed and four other Palestinians were injured by IDF fire at the Erez Crossing. Over the weekend media quoted IDF officials as saying that Muassem Rafiq Salah Sharif, the bodyguard of Palestinian negotiator Ahmed Qurei (Abu Ala) who was killed in a gun battle with IDF troops early Friday morning, had been party to shooting attacks and roadside bombing attacks on behalf of the Fatah Tanzim. Major media quoted the IDF as saying on Saturday that it seized 6.5 tons of potassium nitrate in bags labeled as "EEC 2 sugar exported from the E.U." aboard a Palestinian truck in the West Bank. The EU denied any connection to the bags that were filled with the chemical.

Makor Rishon-Hatzofe cited an Al-Hayat report that Israel intends to assassinate Hamas PM in the Gaza Strip Ismail Haniyeh. The Jerusalem Post reported that on Sunday Fatah's armed wing, the Al-Aqsa Martyrs Brigades, called for the murder of Palestinian PM Slam Fayyad for "collaboration" with Israel and the U.S. On Sunday The Jerusalem Post quoted PA security officials as saying that Israel has managed to infiltrate Hamas's armed wing, Izz ad-Din al-Qassam, by recruiting some of its members as "collaborators."

Yediot and other media reported that the defense establishment is warning of possible attacks by Al-Qaida against Israeli and American targets in Turkey. The Jerusalem Post reported that members of the Knesset's Foreign Affairs and Defense Committee are taking seriously a threat made by Usama bin Ladin in a new video released this weekend.

The media quoted French President Nicolas Sarkozy as saying on Sunday in Cairo that he had instructed his staff to suspend diplomatic contacts with Syria until Damascus showed its willingness to let Lebanon elect a new president. Ha'aretz reported that Jerusalem is closely monitoring the political situation in Lebanon, and that most of the work is being carried out by the Foreign Ministry and the defense establishment. Prime Minister Ehud Olmert receives briefings, but the restricted cabinet has not been convened to discuss the crisis. Ha'aretz said that there is no single, agreed-upon Israeli approach for dealing with the events in Lebanon at present: Some officials believe an independent Lebanon would weaken Hizbullah and thereby help Israel, while others say Israel

should support more Syrian involvement in Lebanon. Ha'aretz cited the Syrian Arab News Agency, quoting Syrian President Bashar Assad as saying on Sunday that he views favorably actions that will lead to peace.

Yediot reported that President Bush has asked to meet Ariel Sharon's sons Omri and Gilad during his visit to Israel. Maariv reported that 8,000 police and other staff will provide security for the President. Maariv also reported that there will be heavy disturbances in railway and road traffic during the visit.

Maariv reported that on Sunday the Israel Lands Administration approved a plan to give free land to members of communities surrounding the Gaza Strip as compensation for losses sustained in rocket attacks. The offer will be valid for one year.

Yediot reported that Hamas announced on Sunday that it will not accept any solution to the predicament of the Palestinian pilgrims returning from the Hajj except passage through the Rafah Crossing, which is not under Israeli control. Leading media reported that Israel permitted some of the pilgrims to cross through the Allenby Bridge.

On Sunday Yediot reported that FM Tzipi Livni is considering naming veteran Mideast TV commentator Ehud Yaari to the position of ambassador to Egypt.

Israel Radio reported that a report that the Knesset's Foreign Affairs and Defense Committee issued today on the Second Lebanon War pointed at failures of the military and did not blame the political echelon. Leading media reported that a petition signed by 50 Knesset members will force Olmert to address the Winograd Report in the Knesset.

On Sunday The Jerusalem Post reported that Meretz might join the government if Avigdor Lieberman's Yisrael Beiteinu leaves it. The Jerusalem Post and other media reported that American casino magnate Sheldon Adelson met with the heads of Shas and Yisrael Beiteinu over the weekend in an effort to convince them to quit the Olmert government.

The Jerusalem Post reported that Israeli diplomats are quietly working to convince the U.S. and the EU to boycott -- and defund -- a possible follow-up to the 2001 World Conference Against Racism that took place in Durban, South Africa.

Yediot cited a report by Brig. Gen. (res.) Yossi Beinhorn, the comptroller of the defense establishment, as saying that IDF bases are poorly guarded.

Mideast:

Summary:

The conservative, independent Jerusalem Post editorialized: "How is [Condoleezza] Rice encouraging the Palestinians to build rather than destroy when she paints Israeli security measures as 'racist?'"

Former Mossad director Ephraim Halevy wrote in the mass-circulation, pluralist Yediot Aharonot: "The assassination of Benazir Bhutto illustrates that the solutions being concocted by the United States for the problems of far-off countries, particularly Muslim ones, are failing one after the other. Not much time is left for a change of direction with Gaza. The challenge lies at our doorstep, here and now. Is it not the first subject that should lead the agenda of President Bush and Prime Minister Olmert during their upcoming meeting?"

Columnist and French politics expert Daniel Ben Simon wrote in the independent, left-leaning Ha'aretz: "To a large extent, Sarkozy was expressing frustration over his country's enormous diplomatic investment, which failed to bear fruit, and he was announcing a new tack regarding Syria."

Block Quotes:

¶I. "No Sympathy for Terror"

The conservative, independent Jerusalem Post editorialized (12/31): "According to The Washington Post, [Condoleezza] Rice's recollections as an African-American child in the South, being told she could not use certain water fountains or eat in certain restaurants, also made her understand the feelings and emotions of the Palestinians.... Either the Palestinians are struggling to eliminate Israel, or to build a state alongside Israel. How is Rice encouraging the Palestinians to build rather than destroy when she paints Israeli security measures as 'racist?' There is a way to empathize with both sides without resorting to libel against Israel. President George W. Bush did so constructively in his famous speech calling for a new Palestinian leadership in June 2002: 'I can understand the deep anger and despair of the Palestinian people, ' he said. 'For decades, you've been treated as pawns in the Middle East conflict. Your interests have been held hostage to a comprehensive peace agreement that never seems to come, as your lives get worse year by year. You deserve democracy and the rule of law. You deserve an open society and a thriving economy. You deserve a life of hope for your children.' Israel is more than ready to do its part to fulfill this vision. The international community has pledged billions to pay for it. What is necessary is to stop helping the Palestinian leadership make excuses for not doing its part.'

II. "Pakistan Is Here"

Former Mossad director Ephraim Halevy wrote in the mass-circulation, pluralist Yediot Aharonot (12/30): "In the arena of Pakistan and that of nearby Afghanistan, Iran carries special weight. The United States and Iran have very close interests in both those arenas, and they will be tightening their cooperation in the future in order to prevent the collapse of those countries. The death of Benazir Bhutto will speed up this trend. Iran is making a significant and ethical contribution in Iraq by reducing the level of violence. American spokesmen say that publicly and praise Tehran.... In the near future, the voices in Washington calling for direct dialogue with Iran on all subjects will probably grow louder.... These developments are not good news for Israel, and we should hope that the countryQs leaders are examining the sense in continuing the uncompromising conflict with Hamas. This is the last subject on which the United States has erred in its situation assessment, and just as it knew enough to change its policy on Iraq completely when it realized its mistake, we should hope that it will know enough to reexamine Hamas's case as well. If Hamas is ripe for a long-term cease-fire, maybe it would be worthwhile to take advantage of this option before we continue on the current path of unconditional war. The assassination of Benazir Bhutto illustrates that the solutions being concocted by the United States for the problems of far-off countries, particularly Muslim ones, are failing one after the other. Not much time is left for a change of direction with Gaza. The challenge lies at our doorstep, here and now. Is it not the first subject that should lead the agenda of President Bush and Prime Minister Olmert during their upcoming meeting?"

III. "France's Lost Honor"

Columnist and French politics expert Daniel Ben Simon wrote in the independent, left-leaning Ha'aretz (12/31): "Poor Bernard Kouchner. What hasn't France's charismatic, hyperactive foreign minister done to demonstrate his country's influence over Lebanon? The moment he was appointed to his post by President Nicolas Sarkozy, Kouchner made Lebanon the touchstone of France's foreign policy. He went to Beirut seven times to improve bilateral relations and prepare the ground for the election of a successor to the pro-French president, Emile Lahoud.... [On Sunday] Sarkozy planted his bomb. After promising that his support for Israel would not affect France's relations with Arab states, Sarkozy announced the suspension of talks with Syria. To a large extent, Sarkozy was expressing frustration over his country's enormous diplomatic investment, which failed to bear fruit, and he was announcing a new tack regarding Syria. As if to say -- you want force, we'll give you force. He was left with no other way to save the lost honor of his country in the eyes of its many supporters in Lebanon."